

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264  
CLEARWATER, KANSAS**

**FINANCIAL STATEMENT  
JUNE 30, 2018**

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**BUSBY FORD & REIMER, LLC**

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CERTIFIED PUBLIC ACCOUNTANTS

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**TABLE OF CONTENTS**  
**JUNE 30, 2018**

Independent Auditors' Report	<u>Page</u> 1 – 3
<b>Financial Statement</b>	
Summary of Cash Receipts, Expenditures, and Unencumbered Cash	4
Notes to Financial Statement	5 – 12
<b>Regulatory Required Supplementary Information</b>	
Summary of Expenditures - Actual and Budget	13
Schedule of Cash Receipts and Expenditures - Actual and Budget	
General Fund	14
Supplemental General Fund	15
At Risk Fund (4 Year Old)	16
At Risk Fund (K-12)	17
Virtual Education	18
Capital Outlay Fund	19
Driver Training Fund	20
Food Service Fund	21
Professional Development Fund	22
Special Education Fund	23
Career and Postsecondary Education Fund	24
KPERS Contribution Fund	25
Recreation Commission Fund	26
Bond and Interest Fund	27
Schedule of Cash Receipts and Expenditures - Actual	
Federal Funds	28
Gifts and Grants Fund	29
Contingency Reserve Fund	30
Student Revolving Fund	31
Textbook Revolving Fund	32
Perkins Consortium Vo-Ed Grant	33
Kansas Beef Council Grant	34
Health Council Grant	35
Monsanto Grant	36
Schedule of Cash Receipts and Expenditures - Capital Projects	37
Schedule of Cash Receipts and Cash Disbursements	
Agency Funds	38
Schedule of Cash Receipts, Expenditures, and Unencumbered Cash	
District Activity Funds	39 – 42
<b>Federal Award Information</b>	
Schedule of Expenditures of Federal Awards	43



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# BUSBY FORD & REIMER, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

**Board of Education  
Clearwater Unified School District No. 264  
Clearwater, Kansas**

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Clearwater Unified School District No. 264, Clearwater, Kansas**, as of and for the year ended **June 30, 2018**, and the related notes to the financial statement.

*Management's Responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Board of Education**  
**Clearwater Unified School District No. 264**

*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*

As described in Note 1 of the financial statement, the financial statement is prepared by **Clearwater Unified School District No. 264, Clearwater, Kansas**, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

*Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Clearwater Unified School District No. 264, Clearwater, Kansas**, as of **June 30, 2018**, or changes in financial position and cash flows thereof for the year then ended.

*Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **Clearwater Unified School District No. 264, Clearwater, Kansas**, as of **June 30, 2018**, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

*Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, schedule of regulatory basis cash receipts and expenditures-capital projects, agency funds schedules of regulatory basis cash receipts and disbursements, district activity funds schedules of regulatory basis cash receipts, expenditures and unencumbered cash (Regulatory-Required Supplementary Information as listed in the table of contents) and schedule of expenditures of federal awards (Federal Award Information as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement.

**Board of Education  
Clearwater Unified School District No. 264**

The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole, on the basis of accounting described in Note 1.

The 2017 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual (as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2017 basic financial statement upon which we rendered an unmodified opinion dated October 3, 2017. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the 2017 basic financial statement as a whole, on the basis of accounting described in Note 1.

***Busby Ford & Reimer, LLC***

Busby Ford & Reimer, LLC  
September 27, 2018

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264  
SUMMARY OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2018**

Fund	Beginning	Prior Year	Cash Receipts	Expenditures	Ending	Add	Ending Cash
	Unencumbered	Canceled			Unencumbered	Encumbrances	
	Cash Balance	Encumbrances			Cash Balance	and Accounts Payable	Balance
General Fund	\$ 0	\$ 0	\$ 7,584,371	\$ 7,584,371	\$ 0	\$ 32,491	\$ 32,491
Special Purpose Funds							
Supplemental General	106,144	0	2,450,865	2,450,318	106,691	16,173	122,864
At Risk (4 Year Old)	15,000	0	12,018	14,085	12,933	0	12,933
At Risk (K-12)	96,000	0	439,263	460,263	75,000	0	75,000
Virtual Education	0	0	0	0	0	0	0
Capital Outlay	746,269	0	895,386	926,854	714,801	102,664	817,465
Driver Training	15,973	0	7,926	4,872	19,027	0	19,027
Food Service	135,870	0	474,342	452,183	158,029	0	158,029
Professional Development	91,523	0	5,444	26,609	70,358	0	70,358
Special Education	550,002	0	1,779,504	1,801,392	528,114	0	528,114
Career and Postsecondary Education	94,000	0	254,957	278,957	70,000	0	70,000
KPERS Contribution	0	0	750,976	750,976	0	0	0
Recreation Commission	24,790	0	207,120	206,830	25,080	0	25,080
Federal Funds	0	0	151,033	151,033	0	0	0
Gifts and Grants	14,055	0	7,915	7,510	14,460	0	14,460
Contingency Reserve	779,924	0	0	0	779,924	0	779,924
Student Revolving	1,177	0	380	0	1,557	0	1,557
Textbook Revolving	213,782	0	50,743	73,260	191,265	0	191,265
Perkins Consortium Vo-Ed Grant	0	0	5,272	6,272	(1,000)	525	(475)
Kansas Beef Council Grant	0	0	178	178	0	0	0
Health Council Grant	0	0	0	0	0	0	0
Monsanto Grant	0	0	10,000	10,000	0	0	0
District Activity Funds	70,013	0	355,390	336,473	88,930	0	88,930
Debt Service Fund							
Bond and Interest	1,712,278	0	1,889,105	1,783,530	1,817,853	0	1,817,853
Capital Projects	16,007,041	0	145,510	14,646,995	1,505,556	6,194,868	7,700,424
	<u>\$ 20,673,841</u>	<u>\$ 0</u>	<u>\$ 17,477,698</u>	<u>\$ 31,972,961</u>	<u>\$ 6,178,578</u>	<u>\$ 6,346,721</u>	<u>\$ 12,525,299</u>

Composition of Cash:

Checking Accounts	\$ 555,846
Savings Accounts	1,355,678
Investments	10,640,471
	12,551,995
Agency Funds	(26,696)
	<u>\$ 12,525,299</u>

The notes to the financial statement are an integral part of this statement.



**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2018**

**Note 1 - Summary of Significant Accounting Policies:**

Financial Reporting Entity

**Clearwater Unified School District No. 264** is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Clearwater, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

**KMAAG Regulatory Basis of Presentation Fund Definitions:**

General Fund-The primary operating fund. Used to account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Funds-To account for the proceeds of specific receipts (other than major capital projects) that are restricted by law or administrative action to expenditure for specific purposes.

Capital Projects Fund-To account for the financial resources segregated for the acquisition or construction of major capital facilities and improvements.

Debt Service Fund-To account for the accumulation of resources for and the payment of, interest and principal on general long-term debt.

Agency Funds-To account for resources held in a trustee or agency capacity for others which therefore cannot be used to support the government's own programs.

Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2018**

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and debt service funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments during the year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

Federal Funds  
Contingency Reserve Fund  
Textbook Revolving Fund  
Kansas Beef Council Grant Fund  
Monsanto Grant

Gifts and Grants Fund  
Student Revolving Fund  
Perkins Consortium Vo-Ed Grant Fund  
Health Council Grant Fund  
District Activity Funds

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.



**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2018**

**Note 2 - In Substance Receipt in Transit:**

The District received \$526,040 subsequent to June 30, 2018, and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

**Note 3 - Defined Benefit Pension Plan:**

Plan Description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium for the period of July 1, 2017 through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate was 12.01% for the fiscal year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30<sup>th</sup> was \$304,596,361. Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year.

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2018**

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$750,976 for the year ended June 30, 2018.

**Net Pension Liability**

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$8,979,431. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

**Note 4 - Postemployment Benefits:**

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

**Note 5 - Interfund Transactions:**

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

Transfer from:	Transfer to:				
	At Risk (4 Year Old)	At Risk (K-12)	Special Education	Career and Postsecondary Education	Total
General Fund	\$ 2,053	\$ 215,978	\$ 1,391,708	\$ 252,830	\$ 1,862,569
Supplemental					
General Fund	9,965	221,335	380,795	0	612,095
	<u>\$ 12,018</u>	<u>\$ 437,313</u>	<u>\$ 1,772,503</u>	<u>\$ 252,830</u>	<u>\$ 2,474,664</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2018**

**Note 6 - Deposits & Investments:**

As of June 30, 2018, the District had the following investments:

Investment Type	Fair Value	Rating U.S.
Kansas Municipal Investment Pool	\$ 10,640,471	N/A
Total Fair Value	<u>\$ 10,640,471</u>	

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. The rating of the District's investments is noted above.

*Concentration of credit risk.* State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's allocation of investments as of June 30, 2018, is as follows:

Investment Type	Percentage of Investments
Kansas Municipal Investment Pool	100%

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2018.

At June 30, 2018, the District's carrying amount of deposits was \$1,911,524 and the bank balance was \$3,493,555. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$356,053 was covered by federal depository insurance and the remaining \$3,137,502 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2018**

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At June 30, 2018, the District had invested \$10,640,471 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

**Note 7 - Contingencies:**

Grant Programs

The District participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not materially exceeded commercial insurance coverage in any of the past three years.

**Note 8 - Reimbursed Expenses:**

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

**Note 9 - Compensated Absences:**

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the District to record vacation and sick leave benefits as expenditures when paid.



**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2018**

**Note 10 - Termination Benefits:**

The District supports an early retirement plan for certified staff under the negotiated agreement. Certified staff are eligible under the plan if they were employed by the District for terms prior to 2007-2008, 60 years of age and have been employed by the District for ten years of continuous service and an additional five years under KPERS employment. Certified staff electing early retirement will receive continued salary until age 65, deceased, or if they choose to draw social security before age 65, at an amount of 75% of the difference between the certified staff's salary and the base salary in effect. However, in no event will regular or reduced benefit exceed the amount to which a participant would be entitled on account of normal retirement under the Social Security Act.

Certified staff employed by the District for periods prior to 2007-2008 are also eligible under the plan for a reduced retirement benefit at age 55 or an age that fulfills the KPERS retirement options, have a minimum of ten years continuous service with the District, and have an additional five years under KPERS employment. Certified staff electing the reduced early retirement will receive continued salary until age 65, deceased, or if they choose to draw social security before age 65, at an amount of 50% of the difference between the certified staff's salary and the base salary in effect. However, in no event will regular or reduced benefit exceed the amount to which a participant would be entitled on account of normal retirement under the Social Security Act.

It is the policy of the District to record early retirement benefits as expenditures when paid. The District paid \$145,842 in postemployment benefits for 15 former employees during the year ended June 30, 2018.

**Note 11 - Subsequent Events:**

The District has evaluated subsequent events through September 27, 2018, the date which the financial statement was available to be issued.

**Note 12 - Capital Projects:**

At year-end, capital project authorization compared with expenditures from inception are as follows:

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
School Buildings	\$ 16,159,718	\$ 152,677
	145,510	14,646,995
	<u>\$ 16,305,228</u>	<u>\$ 14,799,672</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2018**

**Note 13- Long-Term Debt:**

Principal payments are due annually for general obligation bonds on September 1. Interest payments are due semi-annually on March 1 and September 1.

Lease payments are due either monthly or annually.

Terms for long-term liabilities for the District for the year ended June 30, 2018, were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
2011 Series	2.000 - 3.300	4/1/11	\$ 9,645,000	9/1/23
2017 Series	3.000 - 5.000	6/1/17	\$ 15,000,000	9/1/36
Capital Leases				
Energy Mgmt System	4.96	7/19/05	\$ 750,000	12/5/20
Bleachers	2.62	7/9/14	\$ 475,000	6/15/21

Changes in long-term liabilities for the District for the year ended June 30, 2018, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
2011 Series	\$ 9,225,000	\$ 0	\$ 1,085,000	\$ 8,140,000	\$ 264,730
2017 Series	15,000,000	0	0	15,000,000	433,800
	<u>24,225,000</u>	<u>0</u>	<u>1,085,000</u>	<u>23,140,000</u>	<u>698,530</u>
Capital Leases					
Energy Mgmt System	219,094	0	59,697	159,397	12,483
Bleachers	281,433	0	65,926	215,507	9,101
	<u>500,527</u>	<u>0</u>	<u>125,623</u>	<u>374,904</u>	<u>21,584</u>
	<u>\$ 24,725,527</u>	<u>\$ 0</u>	<u>\$ 1,210,623</u>	<u>\$ 23,514,904</u>	<u>\$ 720,114</u>

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	Principal			Interest			Total Principal and Interest
	General Obligation Bonds	Capital Leases	Total Principal	General Obligation Bonds	Capital Leases	Total Interest	
2019	\$ 1,150,000	\$ 135,334	\$ 1,285,334	\$ 812,318	\$ 11,872	\$ 824,190	\$ 2,109,524
2020	1,225,000	140,498	1,365,498	776,692	6,709	783,401	2,148,899
2021	1,310,000	99,072	1,409,072	738,668	2,118	740,786	2,149,858
2022	1,390,000	0	1,390,000	698,167	0	698,167	2,088,167
2023	1,485,000	0	1,485,000	653,929	0	653,929	2,138,929
2024 - 2028	5,490,000	0	5,490,000	2,538,320	0	2,538,320	8,028,320
2029 - 2033	6,025,000	0	6,025,000	1,337,700	0	1,337,700	7,362,700
2034 - 2038	5,065,000	0	5,065,000	295,894	0	295,894	5,360,894
	<u>\$ 23,140,000</u>	<u>\$ 374,904</u>	<u>\$ 23,514,904</u>	<u>\$ 7,851,688</u>	<u>\$ 20,699</u>	<u>\$ 7,872,387</u>	<u>\$ 31,387,291</u>



**REGULATORY REQUIRED  
SUPPLEMENTARY INFORMATION**

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Fund	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund	\$ 7,554,114	\$ (147,421)	\$ 177,678	\$ 7,584,371	\$ 7,584,371	\$ 0
Special Purpose Funds						
Supplemental General	2,456,795	0	0	2,456,795	2,450,318	(6,477)
At Risk (4 Year Old)	20,000	0	0	20,000	14,085	(5,915)
At Risk (K-12)	506,000	0	0	506,000	460,263	(45,737)
Virtual Education	0	0	0	0	0	0
Capital Outlay	1,475,171	0	0	1,475,171	926,854	(548,317)
Driver Training	24,373	0	0	24,373	4,872	(19,501)
Food Service	615,076	0	0	615,076	452,183	(162,893)
Professional Development	93,523	0	0	93,523	26,609	(66,914)
Special Education	2,030,820	0	0	2,030,820	1,801,392	(229,428)
Career and Postsecondary Education	375,000	0	0	375,000	278,957	(96,043)
KPERS Contribution	831,821	0	0	831,821	750,976	(80,845)
Recreation Commission	206,830	0	0	206,830	206,830	0
Federal Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	151,033	XXXXXXXXXX
Gifts and Grants	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	7,510	XXXXXXXXXX
Contingency Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Student Revolving	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Textbook Revolving	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	73,260	XXXXXXXXXX
Perkins Consortium Vo-Ed Grant	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	6,272	XXXXXXXXXX
Kansas Beef Council Grant	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	178	XXXXXXXXXX
Health Council Grant	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Monsanto Grant	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	10,000	XXXXXXXXXX
District Activity Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	336,473	XXXXXXXXXX
Debt Service Fund						
Bond and Interest	1,783,530	0	0	1,783,530	1,783,530	0
Capital Projects	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	14,646,995	XXXXXXXXXX
	<u>\$ 17,973,053</u>	<u>\$ (147,421)</u>	<u>\$ 177,678</u>	<u>\$ 18,003,310</u>	<u>\$ 31,972,961</u>	<u>\$ (1,262,070)</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 106,120	\$ 177,678	\$ 0	\$ 177,678
State Sources	7,696,321	7,406,693	7,554,114	(147,421)
Transfers	50,000	0	0	0
	<u>7,852,441</u>	<u>7,584,371</u>	<u>\$ 7,554,114</u>	<u>\$ 30,257</u>
Expenditures				
Instruction	2,392,499	2,440,155	\$ 2,350,070	\$ 90,085
Student Support Services	268,029	301,018	320,498	(19,480)
Instructional Support Staff	376,037	376,731	441,900	(65,169)
General Administration	168,696	175,227	201,000	(25,773)
School Administration	662,810	677,534	699,100	(21,566)
Central Services	210,778	218,379	257,285	(38,906)
Operations & Maintenance	1,004,861	1,111,748	1,181,436	(69,688)
Student Transportation Services	317,307	364,757	394,200	(29,443)
Other Supplemental Services	33,491	47,049	0	47,049
Site Improvement Services	1,212	9,204	0	9,204
Transfers	2,416,721	1,862,569	1,708,625	153,944
Adjustment to Comply With Legal Max	0	0	(147,421)	147,421
Adjustment for Qualifying Budget Credits	0	0	177,678	(177,678)
	<u>7,852,441</u>	<u>7,584,371</u>	<u>\$ 7,584,371</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>Supplemental General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 958,657	\$ 988,971	\$ 885,965	\$ 103,006
County Sources	124,182	143,686	137,825	5,861
State Sources	<u>1,384,947</u>	<u>1,318,208</u>	<u>1,326,860</u>	<u>(8,652)</u>
	<u>2,467,786</u>	<u>2,450,865</u>	<u>\$ 2,350,650</u>	<u>\$ 100,215</u>
Expenditures				
Instruction	1,928,775	1,828,927	\$ 1,978,600	\$ (149,673)
General Administration	3,390	5,940	5,000	940
Operations & Maintenance	3,916	3,356	5,000	(1,644)
Transfers	<u>535,714</u>	<u>612,095</u>	<u>468,195</u>	<u>143,900</u>
	<u>2,471,795</u>	<u>2,450,318</u>	<u>\$ 2,456,795</u>	<u>\$ (6,477)</u>
Receipts Over (Under) Expenditures	(4,009)	547		
Unencumbered Cash, Beginning	110,153	106,144		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 106,144</u>	<u>\$ 106,691</u>		

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>At Risk Fund (4 Year Old)</u>	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Transfers	\$ 26,265	\$ 12,018	\$ 5,000	\$ 7,018
	<u>26,265</u>	<u>12,018</u>	<u>5,000</u>	<u>7,018</u>
Expenditures				
Instruction	11,265	14,085	\$ 20,000	\$ (5,915)
	<u>11,265</u>	<u>14,085</u>	<u>20,000</u>	<u>(5,915)</u>
Receipts Over (Under) Expenditures	15,000	(2,067)		
Unencumbered Cash, Beginning	0	15,000		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 15,000</u>	<u>\$ 12,933</u>		

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>At Risk Fund (K-12)</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 1,500	\$ 1,950	\$ 0	\$ 1,950
Transfers	355,254	437,313	410,000	27,313
	<u>356,754</u>	<u>439,263</u>	<u>\$ 410,000</u>	<u>\$ 29,263</u>
Expenditures				
Instruction	321,884	420,645	\$ 468,450	\$ (47,805)
Student Support Services	30,884	39,193	37,550	1,643
Instruction Support Staff	3,961	425	0	425
Other Supplemental Services	25	0	0	0
	<u>356,754</u>	<u>460,263</u>	<u>\$ 506,000</u>	<u>\$ (45,737)</u>
Receipts Over (Under) Expenditures	0	(21,000)		
Unencumbered Cash, Beginning	96,000	96,000		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 96,000</u>	<u>\$ 75,000</u>		



**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>Virtual Education</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 10,535	\$ 0	\$ 0	\$ 0
Transfers	55,980	0	0	0
	<u>66,515</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures				
Instruction	66,515	0	\$ 0	\$ 0
	<u>66,515</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>Capital Outlay Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 699,313	\$ 611,259	\$ 446,903	\$ 164,356
County Sources	65,535	65,718	63,574	2,144
State Sources	222,914	218,409	218,425	(16)
Transfers	13,963	0	0	0
	<u>1,001,725</u>	<u>895,386</u>	<u>\$ 728,902</u>	<u>\$ 166,484</u>
Expenditures				
Instruction	85,254	349,228	\$ 240,000	\$ 109,228
General Administration	716	0	0	0
School Administration	398	5,722	20,000	(14,278)
Operations & Maintenance	228,037	141,737	340,000	(198,263)
Student Transportation Services	180,506	138,244	160,000	(21,756)
Other Supplemental Services	4,500	5,623	5,000	623
Land Improvement	0	594	0	594
New Building Acquisition & Construction	147,206	147,206	150,000	(2,794)
Site Improvement	0	3,588	360,171	(356,583)
Building Improvement	193,355	134,912	200,000	(65,088)
	<u>839,972</u>	<u>926,854</u>	<u>\$ 1,475,171</u>	<u>\$ (548,317)</u>
Receipts Over (Under) Expenditures	161,753	(31,468)		
Unencumbered Cash, Beginning	584,516	746,269		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 746,269</u>	<u>\$ 714,801</u>		

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>Driver Training Fund</u>	<u>Current Year</u>		<u>Variance -</u> <u>Over (Under)</u>
	<u>Prior Year</u> <u>Actual</u>	<u>Actual</u> <u>Budget</u>	
Cash Receipts			
Local Sources	\$     6,086	\$     3,318    \$     4,200	\$     (882)
State Sources	<u>     3,584</u>	<u>     4,608</u> <u>     4,200</u>	<u>     408</u>
	<u>     9,670</u>	<u>     7,926</u> <u>     8,400</u>	<u>    (474)</u>
Expenditures			
Instruction	7,234	4,022    \$    20,373	\$   (16,351)
Vehicle Operations, Maintenance Services	<u>     750</u>	<u>     850</u> <u>     4,000</u>	<u>    (3,150)</u>
	<u>     7,984</u>	<u>     4,872</u> <u>     24,373</u>	<u>    (19,501)</u>
Receipts Over (Under) Expenditures	1,686	3,054	
Unencumbered Cash, Beginning	14,287	15,973	
Prior Year Canceled Encumbrances	<u>     0</u>	<u>     0</u>	
Unencumbered Cash, Ending	<u>    15,973</u>	<u>    19,027</u>	

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>Food Service Fund</u>	<u>Current Year</u>		Variance - Over (Under)
	Prior Year Actual	Actual      Budget	
Cash Receipts			
Local Sources	\$ 265,248	\$ 268,832    \$ 265,772	\$ 3,060
State Sources	4,818	4,676      4,028	648
Federal Sources	214,998	200,834      209,404	(8,570)
Transfers	180	0            0	0
	<u>485,244</u>	<u>474,342</u> <u>\$ 479,204</u>	<u>\$ (4,862)</u>
Expenditures			
Operations & Maintenance	4,053	3,127    \$ 5,800	\$ (2,673)
Food Service Operations	<u>464,182</u>	<u>449,056</u> <u>609,276</u>	<u>(160,220)</u>
	<u>468,235</u>	<u>452,183</u> <u>\$ 615,076</u>	<u>\$ (162,893)</u>
Receipts Over (Under) Expenditures	17,009	22,159	
Unencumbered Cash, Beginning	118,861	135,870	
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>	
Unencumbered Cash, Ending	<u>\$ 135,870</u>	<u>\$ 158,029</u>	

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>Professional Development Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 842	\$ 1,328	\$ 0	\$ 1,328
State Sources	0	4,116	2,000	2,116
Transfers	25,000	0	0	0
	<u>25,842</u>	<u>5,444</u>	<u>\$ 2,000</u>	<u>\$ 1,328</u>
Expenditures				
Instructional Support Staff	17,609	26,609	\$ 93,523	\$ (66,914)
	<u>17,609</u>	<u>26,609</u>	<u>\$ 93,523</u>	<u>\$ (66,914)</u>
Receipts Over (Under) Expenditures	8,233	(21,165)		
Unencumbered Cash, Beginning	83,290	91,523		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 91,523</u>	<u>\$ 70,358</u>		

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>Special Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 314	\$ 301	\$ 0	\$ 301
Federal Sources	0	6,700	0	6,700
Transfers	<u>1,683,053</u>	<u>1,772,503</u>	<u>1,480,820</u>	<u>291,683</u>
	<u>1,683,367</u>	<u>1,779,504</u>	<u>\$ 1,480,820</u>	<u>\$ 298,684</u>
Expenditures				
Instruction	1,546,344	1,624,409	\$ 1,837,575	\$ (213,166)
Central Services	0	0	3,000	(3,000)
Student Transportation Services	<u>137,023</u>	<u>176,983</u>	<u>190,245</u>	<u>(13,262)</u>
	<u>1,683,367</u>	<u>1,801,392</u>	<u>\$ 2,030,820</u>	<u>\$ (229,428)</u>
Receipts Over (Under) Expenditures	0	(21,888)		
Unencumbered Cash, Beginning	550,002	550,002		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 550,002</u>	<u>\$ 528,114</u>		



**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>Career and Postsecondary</u> <u>Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 1,828	\$ 2,127	\$ 0	\$ 2,127
Transfers	<u>280,352</u>	<u>252,830</u>	<u>381,000</u>	<u>(128,170)</u>
	<u>282,180</u>	<u>254,957</u>	<u>\$ 381,000</u>	<u>\$ (126,043)</u>
Expenditures				
Instruction	282,060	278,744	\$ 375,000	\$ (96,256)
Instructional Support Staff	<u>120</u>	<u>213</u>	<u>0</u>	<u>213</u>
	<u>282,180</u>	<u>278,957</u>	<u>\$ 375,000</u>	<u>\$ (96,043)</u>
Receipts Over (Under) Expenditures	0	(24,000)		
Unencumbered Cash, Beginning	94,000	94,000		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 94,000</u>	<u>\$ 70,000</u>		

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>KPERS Contribution Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
State Sources	\$ 0	\$ 750,976	\$ 831,821	\$ (80,845)
Transfers	490,750	0	0	0
	<u>490,750</u>	<u>750,976</u>	<u>\$ 831,821</u>	<u>\$ (80,845)</u>
Expenditures				
Instruction	283,604	433,989	\$ 482,456	\$ (48,467)
Student Support	20,955	32,067	34,940	(2,873)
Instructional Support	20,955	32,067	34,940	(2,873)
General Administration	23,115	35,371	41,459	(6,088)
School Administration	50,547	77,350	84,846	(7,496)
Central Services	20,955	32,067	34,940	(2,873)
Operations & Maintenance	20,955	32,067	34,940	(2,873)
Student Transportation Serv	24,832	37,999	41,900	(3,901)
Food Service	24,832	37,999	41,400	(3,401)
	<u>490,750</u>	<u>750,976</u>	<u>\$ 831,821</u>	<u>\$ (80,845)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

Recreation Commission Fund	Prior Year	Current Year		Variance -
	Actual	Actual	Budget	Over (Under)
Cash Receipts				
Local Sources	\$ 180,820	\$ 182,475	\$ 167,572	\$ 14,903
County Sources	<u>24,539</u>	<u>24,645</u>	<u>23,831</u>	<u>814</u>
	<u>205,359</u>	<u>207,120</u>	<u>\$ 191,403</u>	<u>\$ 15,717</u>
Expenditures				
Community Service Operations	<u>204,150</u>	<u>206,830</u>	<u>\$ 206,830</u>	<u>\$ 0</u>
	<u>204,150</u>	<u>206,830</u>	<u>\$ 206,830</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	1,209	290		
Unencumbered Cash, Beginning	23,581	24,790		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 24,790</u>	<u>\$ 25,080</u>		

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>Bond and Interest Fund</u>	Prior Year	<u>Current Year</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Cash Receipts				
Local Sources	\$ 860,917	\$ 1,086,328	\$ 1,000,124	\$ 86,204
County Sources	117,870	104,300	102,109	2,191
State Sources	588,049	698,477	698,477	0
	<u>1,566,836</u>	<u>1,889,105</u>	<u>\$ 1,800,710</u>	<u>\$ 88,395</u>
Expenditures				
Debt Service	<u>1,278,367</u>	<u>1,783,530</u>	<u>\$ 1,783,530</u>	<u>\$ 0</u>
	<u>1,278,367</u>	<u>1,783,530</u>	<u>\$ 1,783,530</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	288,469	105,575		
Unencumbered Cash, Beginning	1,423,809	1,712,278		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 1,712,278</u>	<u>\$ 1,817,853</u>		

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

<u>Federal Funds</u>	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	\$ 130,026	\$ 151,033
	<u>130,026</u>	<u>151,033</u>
Expenditures		
Instruction	113,292	119,117
Instructional Support Staff	<u>16,734</u>	<u>31,916</u>
	<u>130,026</u>	<u>151,033</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	0	0
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 22,329	\$ 7,915
	<u>22,329</u>	<u>7,915</u>
Expenditures		
Instruction	<u>20,213</u>	<u>7,510</u>
	<u>20,213</u>	<u>7,510</u>
Receipts Over (Under) Expenditures	2,116	405
Unencumbered Cash, Beginning	11,939	14,055
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 14,055</u>	<u>\$ 14,460</u>



**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures		
Other Support Services	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	779,924	779,924
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 779,924</u>	<u>\$ 779,924</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

Student Revolving Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 445	\$ 380
	<u>445</u>	<u>380</u>
Expenditures		
Instruction	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	445	380
Unencumbered Cash, Beginning	732	1,177
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 1,177</u>	<u>\$ 1,557</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

Textbook Revolving Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 47,867	\$ 50,743
Transfers	21,638	0
	<u>69,505</u>	<u>50,743</u>
Expenditures		
Instruction	4,761	73,260
Transfers	50,000	0
	<u>54,761</u>	<u>73,260</u>
Receipts Over (Under) Expenditures	14,744	(22,517)
Unencumbered Cash, Beginning	199,038	213,782
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 213,782</u>	<u>\$ 191,265</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

Perkins Consortium Vo-Ed Grant

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	\$ 8,925	\$ 5,272
	<u>8,925</u>	<u>5,272</u>
Expenditures		
Instruction	<u>8,925</u>	<u>6,272</u>
	<u>8,925</u>	<u>6,272</u>
Receipts Over (Under) Expenditures	0	(1,000)
Unencumbered Cash, Beginning	0	0
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ (1,000)</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

Kansas Beef Council Grant

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 0	\$ 178
	<u>0</u>	<u>178</u>
Expenditures		
Instruction	<u>0</u>	<u>178</u>
	<u>0</u>	<u>178</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	0	0
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

Health Council Grant

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures		
Instruction	1,073	0
	<u>1,073</u>	<u>0</u>
Receipts Over (Under) Expenditures	(1,073)	0
Unencumbered Cash, Beginning	1,073	0
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

Monsanto Grant

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 0	\$ 10,000
	<u>0</u>	<u>10,000</u>
Expenditures		
Instruction	<u>0</u>	<u>10,000</u>
	<u>0</u>	<u>10,000</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	0	0
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - CAPITAL PROJECTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)**

	Prior Year Actual	Current Year Actual
Cash Receipts		
Bond Proceeds	\$16,159,718	\$ 0
Interest	0	145,510
	<u>16,159,718</u>	<u>145,510</u>
Expenditures		
Facility Acquisition and Construction Services	<u>152,677</u>	<u>14,646,995</u>
	<u>152,677</u>	<u>14,646,995</u>
Receipts Over (Under) Expenditures	16,007,041	(14,501,485)
Unencumbered Cash, Beginning	0	16,007,041
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$16,007,041</u>	<u>\$ 1,505,556</u>



**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**AGENCY FUNDS**  
**SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
High School				
Class of 2018	\$ 46	\$ 234	\$ 142	\$ 138
Class of 2019	638	13,992	13,181	1,449
Class of 2020	1,420	1,252	1,331	1,341
C-Club	4,214	1,216	1,395	4,035
SADD	499	2,065	1,899	665
Senior D.C. Trip	198	13,620	13,044	774
Stuco-B.O.S.	1,360	74	60	1,374
Kay	817	2,243	2,278	782
Stuco-Regular	1,267	8,560	7,907	1,920
Cheerleaders	9,365	10,222	19,587	0
Nat'l Honor Society	305	760	559	506
Color Guard	104	0	0	104
Dance Team	1,158	7,173	7,226	1,105
Art Club	0	221	89	132
Girls Who Code	0	300	298	2
	<u>21,391</u>	<u>61,932</u>	<u>68,996</u>	<u>14,327</u>
Middle School				
Cheerleaders	4,152	3,040	4,223	2,969
KAYS Group	1,859	1,941	2,181	1,619
Student Council-BOS	1,814	330	64	2,080
Tribal Council	5,088	8,672	8,059	5,701
	<u>12,913</u>	<u>13,983</u>	<u>14,527</u>	<u>12,369</u>
Total Agency Funds	<u>\$ 34,304</u>	<u>\$ 75,915</u>	<u>\$ 83,523</u>	<u>\$ 26,696</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**DISTRICT ACTIVITY FUNDS**  
**SCHEDULE OF CASH RECEIPTS, EXPENDITURES,**  
**AND UNENCUMBERED CASH**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Fund	Beginning	Prior Year	Cash Receipts	Expenditures	Ending	Add	Ending Cash
	Unencumbered	Canceled			Unencumbered	Encumbrances	
	Cash Balance	Encumbrances			Cash Balance	and Accounts Payable	Balance
High School							
Gate Receipts	\$ 17,487	\$ 0	\$ 224,045	\$ 214,427	\$ 27,105	\$ 0	\$ 27,105
Yearbook	13,276	0	12,200	10,419	15,057	0	15,057
Industrial Arts	5,125	0	1,681	5,432	1,374	0	1,374
Drama	1,813	0	6,975	6,738	2,050	0	2,050
Instrumental Music	666	0	2,334	943	2,057	0	2,057
Vocal Music	1,514	0	3,129	2,786	1,857	0	1,857
Photo/Art	471	0	1,057	50	1,478	0	1,478
A/P Advanced	0	0	180	180	0	0	0
CHS Crime Stoppers	32	0	0	0	32	0	32
AVCTL Monies	14	0	0	0	14	0	14
School Improvement	728	0	12,001	6,240	6,489	0	6,489
	<u>41,126</u>	<u>0</u>	<u>263,602</u>	<u>247,215</u>	<u>57,513</u>	<u>0</u>	<u>57,513</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**DISTRICT ACTIVITY FUNDS**  
**SCHEDULE OF CASH RECEIPTS, EXPENDITURES,**  
**AND UNENCUMBERED CASH**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Middle School							
Gate Receipts/Activities	8,275	0	63,326	57,741	13,860	0	13,860
Annual	1,223	0	1,522	1,235	1,510	0	1,510
Technology	30	0	0	0	30	0	30
Lip Sync	8	0	0	0	8	0	8
Field Trips/Apparel	153	0	2,707	2,738	122	0	122
	<u>9,689</u>	<u>0</u>	<u>67,555</u>	<u>61,714</u>	<u>15,530</u>	<u>0</u>	<u>15,530</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264**  
**DISTRICT ACTIVITY FUNDS**  
**SCHEDULE OF CASH RECEIPTS, EXPENDITURES,**  
**AND UNENCUMBERED CASH**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Fund	Beginning	Prior Year	Cash Receipts	Expenditures	Ending	Add	Ending Cash
	Unencumbered	Canceled			Unencumbered	Encumbrances	
	Cash Balance	Encumbrances			Cash Balance	and Accounts Payable	Balance
Intermediate Center							
Annual	3,114	0	1,278	1,349	3,043	0	3,043
Vocal Music	43	0	0	0	43	0	43
Field Day	201	0	0	201	0	0	0
Field Trip/Apparel	500	0	8,192	8,570	122	0	122
Stuco (BOS)	2,285	0	3,245	3,784	1,746	0	1,746
Book Fair	64	0	4,067	4,063	68	0	68
PTO Donations	347	0	1,083	1,248	182	0	182
	<u>6,554</u>	<u>0</u>	<u>17,865</u>	<u>19,215</u>	<u>5,204</u>	<u>0</u>	<u>5,204</u>

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264  
DISTRICT ACTIVITY FUNDS  
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2018**

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Grade School West							
Annual	3,263	0	2,234	1,743	3,754	0	3,754
Field Day	3,488	0	0	0	3,488	0	3,488
Field Trip/Apparel	1,041	0	2,787	2,382	1,446	0	1,446
B.O.S.	4,686	0	1,347	4,204	1,829	0	1,829
Book Fair	158	0	0	0	158	0	158
PTO	5	0	0	0	5	0	5
Teacher Project	3	0	0	0	3	0	3
	<u>12,644</u>	<u>0</u>	<u>6,368</u>	<u>8,329</u>	<u>10,683</u>	<u>0</u>	<u>10,683</u>
Total District Activity Funds	<u>\$ 70,013</u>	<u>\$ 0</u>	<u>\$ 355,390</u>	<u>\$ 336,473</u>	<u>\$ 88,930</u>	<u>\$ 0</u>	<u>\$ 88,930</u>

## **FEDERAL AWARD INFORMATION**

**CLEARWATER UNIFIED SCHOOL DISTRICT NO. 264  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018**

Grant Title	Federal CFDA No.	Program Amount	Unencumbered Cash 7-1-17	Receipts	Expenditures	Unencumbered Cash 6-30-18
<u>(Passes Through Kansas Department of Education)</u>						
Department of Agriculture						
School Breakfast Program	10.553	\$ 37,140				
National School Lunch Program	10.555	162,834				
State Administrative Expenses for Child Nutrition	10.560	6,700				
Team Nutrition Grants	10.574	860				
		<u>207,534</u>	<u>\$ 0</u>	<u>\$ 207,534</u>	<u>\$ 207,534</u>	<u>\$ 0</u>
Department of Education						
Title I Grants to Local Education Agencies	84.010	117,600	0	117,600	117,600	0
Improving Teacher Quality State Grants	84.367	33,433	0	33,433	33,433	0
		<u>151,033</u>	<u>0</u>	<u>151,033</u>	<u>151,033</u>	<u>0</u>
<u>(Passes Through South Central Kansas Education Service Center)</u>						
Department of Education						
Career and Technical Education-Basic Grants to States	84.048	5,272	0	5,272	6,272	(1,000)
Total Federal Awards		<u>\$ 363,839</u>	<u>\$ 0</u>	<u>\$ 363,839</u>	<u>\$ 364,839</u>	<u>\$ (1,000)</u>